

**Exhibit 43**  
**FILED UNDER SEAL**

**Exhibit 44**  
**FILED UNDER SEAL**

## **Exhibit 45**

NYD 003 995 198

29

PE83-  
DATE: APR 5 1983

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

SUBJECT: Review of Financial Assurance Submitted by Gruman Aerospace Corporation

FROM: Helen S. Begun  
Chief, Grants Administration BranchTO: Ernest A. Regna  
Chief, Solid Waste Branch

We have reviewed the Financial Assurance documents submitted by Gruman Aerospace Corporation located at 1111 Stewart Avenue in Bethpage, New York 11714. The company is using the Corporate Guarantee (as specified in 40 CFR §264.143 (f), 264.145(f) and 264.151(h)) to demonstrate financial assurance of the closure cost for the following facilities which are owned or operated by subsidiaries of Gruman Aerospace Corporation and are located in Region II:

EPA ID Number	Facility Name	Location	Closure Cost
NYD002047967*	Grumman Aerospace Corp.	Mail Station B08-30 Bethpage, N.Y.	\$450,000
NYD003995198	Grumman Aerospace Corp. (NWIRP DOD 466)	Swan Pond Road Calverton, Long Island N.Y.	\$25,000
NYD096924113*	Grumman Aerospace Corp. (Plants 43 & 44)	Sunrise Highway & Connetquot Ave Great River, Town of Islip, N.Y.	\$25,000
NYD096921358	Call Data Long Island Center	280 Crossways Park Drive Woodbury, N.Y.	\$10,000
			Total = \$510,000

Grumman Aerospace Corporation has furnished a certificate of third party liability insurance (Travelers Indemnity Company) for sudden accidental occurrences (as specified in 40 CFR §264.147(a) and 264.151(j)) in the amounts of \$1 million per occurrence and \$2 million annual aggregate for each of the above facilities. A certificate of third party liability insurance (Travelers Indemnity Company) has also been furnished for nonsudden accidental occurrences (as specified in 40 CFR §264.147(b) and 264.151(j)) in the amounts of \$3 million per occurrence and \$6 million annual aggregate for the aforementioned facilities further identified with an asterisk(\*)

Based on our review of Grumman Aerospace Corporation's consolidated balance sheet and statement of income for the fiscal year ended December 31, 1981, and their certificates of liability insurance, we have determined that the owner has complied with the requirements in Subpart H of Part 264, Title 40 of the Federal financial requirements for owners and operators of hazardous waste treatment, storage and disposal facilities.

## **Exhibit 46**

EXHIBIT JJ

Actord - New York  
Travelers General Agency,  
Poll. Endorse 19390

# THE TRAVELERS



ONE TOWER SQUARE  
HARTFORD, CONNECTICUT 06115

May 16, 1970

The Honorable Richard E. Stewart  
Superintendent of Insurance  
State Insurance Department  
120 William Street  
New York, New York 10038

Attn: Mr. Jack Malenoff  
Chief, Rating Division

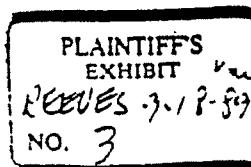
Dear Superintendent Stewart:

Limitation of Coverage for Pollution  
Endorsement 19390 Form No. C-14026  
The Travelers Indemnity Company  
The Phoenix Insurance Company  
The Charter Oak Fire Insurance Company  
Equitable Fire and Marine Insurance Company

Pollution has become a national concern. Governments, from Federal to local, citizens, from the President to the non-voting youth, are all aware of the many forms of pollutants and their potential disastrous effects if controls are not quickly implemented.

The insurance industry must also express its awareness of this threat to our environment and act in support of efforts to eliminate intentional and expected pollution. It is the intent of these Companies to protect its general liability insureds only for unknown and unintentional polluting. To afford broader coverage would be contrary to public policy and an abdication of our social responsibility.

In order to implement this program as rapidly as possible, we are not suggesting a specific effective date, but will use it as soon as we receive your acknowledgment or approval. We wish the Limitation of Coverage for Pollution Endorsement to apply to all general liability insurance except personal liability insurance. An Explanatory Memorandum is attached which describes the endorsement and its usage in more detail.



TRCCOL91S03

-2-

Because it is in the public interest, we do not anticipate that you will question the need for this endorsement, but please phone collect (203-277-3204) if you should have any questions concerning its use.

One copy of this filing is included for each authorized Company in your state with one additional copy for you to return for our files. A return envelope is included for your convenience.

Very truly yours

*Richard C. Reeves*

Richard C. Reeves  
Assistant Secretary  
Government Affairs Division

RCR:LMT  
Encls.

TR 000091904

## **Exhibit 47**

# THE TRAVELERS



ONE TOWER SQUARE  
HARTFORD, CONNECTICUT 06115

May 18, 1970

The Honorable Samuel H. Weese  
Insurance Commissioner  
State of West Virginia  
Insurance Department  
1800 Washington Street  
Charleston, West Virginia 25305

Dear Commissioner Weese:

RECEIVED

MAY 18 1970

W. Va. Ins. Dept.

Limitation of Coverage for Pollution  
Endorsement 19390 Form No. C-14026  
The Travelers Indemnity Company  
The Phoenix Insurance Company  
The Charter Oak Fire Insurance Company  
Equitable Fire and Marine Insurance Company

Pollution has become a national concern. Governments, from Federal to local, citizens, from the President to the non-voting youth, are all aware of the many forms of pollutants and their potential disastrous effects if controls are not quickly implemented.

The insurance industry must also express its awareness of this threat to our environment and act in support of efforts to eliminate intentional and expected pollution. It is the intent of these Companies to protect its general liability insureds only for unknown and unintentional polluting. To afford broader coverage would be contrary to public policy and an abdication of our social responsibility.

In order to implement this program as rapidly as possible, we are not suggesting a specific effective date, but will use it as soon as we receive your acknowledgment or approval. We wish the Limitation of Coverage for Pollution Endorsement to apply to all general liability insurance except personal liability insurance. An Explanatory Memorandum is attached which describes the endorsement and its usage in more detail.

CO000114

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-2-

Because it is in the public interest, we do not anticipate that you will question the need for this endorsement, but please phone collect (203-277-3204) if you should have any questions concerning its use.

One copy of this filing is included for each authorized Company in your state with one additional copy for you to return for our files. A return envelope is included for your convenience.

Very truly yours

*Richard C. Reeves*

Richard C. Reeves  
Assistant Secretary  
Government Affairs Division

RCR:LMT  
Encs.

0000115

120

EXPLANATORY MEMORANDUM

Limitation of Coverage for Pollution  
Endorsement 19390, C-14026

The Travelers Indemnity Company  
The Phoenix Insurance Company  
The Charter Oak Fire Insurance Company  
Equitable Fire and Marine Insurance Company

This endorsement excludes coverage for Bodily Injury and Property Damage arising out of polluting emissions or discharges which are:

- a) Expected or intended by any insured or any person or organization for whom the insured may be liable, or
- b) In violation of government rules and regulations regarding pollution.

It also excludes coverage for property damage arising out of petroleum or petroleum derivatives discharged into water, whether intentionally or unintentionally, except for fire or explosion resulting from an unintentional discharge which is not in violation of governmental rules and regulations.

For most insureds there will be no premium adjustment in conjunction with this endorsement. In some instances where a premium charge is warranted because a potential but unintended pollution exposure exists, the premium will be determined in accordance with customary (a) rating procedures.

0000116

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This endorsement modifies the provisions of the policy relating to ALL LIABILITY INSURANCE other than COMPREHENSIVE PERSONAL INSURANCE and such insurance as is afforded by the policy with respect to the ownership, maintenance or use, including loading or unloading, of any automobile.

**LIMITATION OF COVERAGE FOR POLLUTION**

It is agreed that the insurance does not apply

(a) to bodily injury or property damage arising out of any emission, discharge, seepage, release or escape of any liquid, solid, gaseous or thermal waste or pollutant

(1) if such emission, discharge, seepage, release or escape is either expected or intended from the standpoint of any insured or any person or organization for whose acts or omissions any insured is liable, or

(2) resulting from or contributed to by any condition in violation of or non-compliance with any governmental rule, regulation or law applicable thereto;

but this exclusion (a) does not apply to property damage arising out of any emission, discharge, seepage, release or escape of petroleum or petroleum derivatives into any body of water;

(b) to property damage arising out of any emission, discharge, seepage, release or escape of petroleum or petroleum derivatives into any body of water, but this exclusion (b) does not apply to property damage resulting from fire or explosion arising out of any emission, discharge, seepage, release or escape which neither

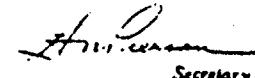
(1) is expected or intended from the standpoint of any insured or any person or organization for whose acts or omissions any insured is liable, nor

(2) results from or is contributed to by any condition in violation of or non-compliance with any governmental rule, regulation or law applicable thereto.

THE TRAVELERS INDEMNITY COMPANY  
THE CHARTER OAK FIRE INSURANCE COMPANY

THE PHOENIX INSURANCE COMPANY  
EQUITABLE FIRE AND MARINE INSURANCE COMPANY

  
Secretary

  
Secretary

## **Exhibit 48**

# THE TRAVELERS



ONE TOWER SQUARE  
HARTFORD, CONNECTICUT 06115

May 18, 1970

The Honorable Broward Williams  
Insurance Commissioner  
Office of the State Treasurer A.F.P.R.O.  
and Insurance Commissioner  
J. Edwin Larson Building  
Gaines Street  
Tallahassee, Florida 32304

AS: 5:25:20  
S: 25:20

Dear Commissioner Williams:

*Mark H. Goff*

Limitation of Coverage for Pollution  
Endorsement 19390 Form No. C-14026  
The Travelers Indemnity Company ✓  
The Phoenix Insurance Company  
The Charter Oak Fire Insurance Company  
Equitable Fire and Marine Insurance Company

Pollution has become a national concern. Governments, from Federal to local, citizens, from the President to the non-voting youth, are all aware of the many forms of pollutants and their potential disastrous effects if controls are not quickly implemented.

The insurance industry must also express its awareness of this threat to our environment and act in support of efforts to eliminate international and expected pollution. It is the intent of these Companies to protect its general liability insureds only for unknown and unintentional polluting. To afford broader coverage would be contrary to public policy and an abdication of our social responsibility.

In order to implement this program as rapidly as possible, we are not suggesting a specific effective date, but will use it as soon as we receive your acknowledgment or approval. We wish the Limitation of Coverage for Pollution Endorsement to apply to all general liability insurance except personal liability insurance. An Explanatory Memorandum is attached which describes the endorsement and its usage in more detail.

11825-



-2-

Because it is in the public interest, we do not anticipate that you will question the need for this endorsement, but please phone collect (203-277-3204) if you should have any questions concerning its use.

One copy of this filing is included for each authorized Company in your state with one additional copy for you to return for our files. A return envelope is included for your convenience.

Very truly yours



Richard C. Reeves  
Assistant Secretary  
Government Affairs Division

RCR:LMJ  
Encls.

SHILL (100-1000000)

EXPLANATORY MEMORANDUM

Limitation of Coverage for Pollution  
Endorsement 19390, C-14026

The Travelers Indemnity Company  
The Phoenix Insurance Company  
The Charter Oak Fire Insurance Company  
Equitable Fire and Marine Insurance Company

This endorsement excludes coverage for Bodily Injury and Property Damage arising out of polluting emissions or discharges which are:

- a) Expected or intended by any insured or any person or organization for whom the insured may be liable, or
- b) In violation of government rules and regulations regarding pollution.

It also excludes coverage for property damage arising out of petroleum or petroleum derivatives discharged into water, whether intentionally or unintentionally, except for fire or explosion resulting from an unintentional discharge which is not in violation of governmental rules and regulations.

For most insureds there will be no premium adjustment in conjunction with this endorsement. In some instances where a premium charge is warranted because a potential but unintended pollution exposure exists, the premium will be determined in accordance with customary (a) rating procedures.

This endorsement modifies the provisions of the policy relating to ALL LIABILITY INSURANCE other than COMPREHENSIVE PERSONAL INSURANCE and such insurance as is afforded by the policy with respect to the ownership, maintenance or use, including loading or unloading, of any automobile.

A.F.T.

LIMITATION OF COVERAGE FOR POLLUTION

It is agreed that the insurance does not apply

AS OF 5-15-70  
EFFECTIVE 5-25-70

(a) to bodily injury or property damage arising out of any emission, discharge, seepage, release or escape of any liquid, solid, gaseous or thermal waste or pollutants

(1) if such emission, discharge, seepage, release or escape is either expected or intended from the standpoint of any insured or any person or organization for whose acts or omissions any insured is liable, or

(2) resulting from or contributed to by any condition in violation of or non-compliance with any governmental rule, regulation or law applicable thereto;

but this exclusion (a) does not apply to property damage arising out of any emission, discharge, seepage, release or escape of petroleum or petroleum derivatives into any body of water;

(b) to property damage arising out of any emission, discharge, seepage, release or escape of petroleum or petroleum derivatives into any body of water, but this exclusion (b) does not apply to property damage resulting from fire or explosion arising out of any emission, discharge, seepage, release or escape which neither

(1) is expected or intended from the standpoint of any insured or any person or organization for whose acts or omissions any insured is liable, nor

(2) results from or is contributed to by any condition in violation of or non-compliance with any governmental rule, regulation or law applicable thereto.

THE TRAVELERS INDEMNITY COMPANY  
THE CHARTER OAK FIRE INSURANCE COMPANY

THE PHOENIX INSURANCE COMPANY  
EQUITABLE FIRE AND MARINE INSURANCE COMPANY

  
John L. Schaeffer  
Secretary

  
John L. Schaeffer  
Secretary

## **Exhibit 49**

# THE TRAVELERS



ONE TOWER SQUARE  
HARTFORD, CONNECTICUT 06115

May 18, 1970

The Honorable Clay Cotten  
Commissioner of Insurance  
State Board of Insurance  
1110 San Jacinto  
Austin, Texas 78701

Dear Commissioner Cotten:

Limitation of Coverage for Pollution  
Endorsement 19390 Form No. C-14026  
The Travelers Indemnity Company  
The Phoenix Insurance Company  
The Charter Oak Fire Insurance Company  
Equitable Fire and Marine Insurance Company

Pollution has become a national concern. Governments, from Federal to local, citizens, from the President to the non-voting youth, are all aware of the many forms of pollutants and their potential disastrous effects if controls are not quickly implemented.

The insurance industry must also express its awareness of this threat to our environment and act in support of efforts to eliminate intentional and expected pollution. It is the intent of these Companies to protect its general liability insureds only for unknown and unintentional polluting. To afford broader coverage would be contrary to public policy and an abdication of our social responsibility.

In order to implement this program as rapidly as possible, we are not suggesting a specific effective date, but will use it as soon as we receive your acknowledgment or approval. We wish the Limitation of Coverage for Pollution Endorsement to apply to all general liability insurance except personal liability insurance. An Explanatory Memorandum is attached which describes the endorsement and its usage in more detail.

-2-

Because it is in the public interest, we do not anticipate that you will question the need for this endorsement, but please phone collect (203-277-3204) if you should have any questions concerning its use.

One copy of this filing is included for each authorized Company in your state with one additional copy for you to return for our files. A return envelope is included for your convenience.

Very truly yours



Richard C. Reeves  
Assistant Secretary  
Government Affairs Division

RCR:LMT  
Encs.

EXPLANATORY MEMORANDUM

Limitation of Coverage for Pollution  
Endorsement 19390, C-14026

The Travelers Indemnity Company  
The Phoenix Insurance Company  
The Charter Oak Fire Insurance Company  
Equitable Fire and Marine Insurance Company

This endorsement excludes coverage for Bodily Injury and Property Damage arising out of polluting emissions or discharges which are:

- a) Expected or intended by any insured or any person or organization for whom the insured may be liable, or
- b) In violation of government rules and regulations regarding pollution.

It also excludes coverage for property damage arising out of petroleum or petroleum derivatives discharged into water, whether intentionally or unintentionally, except for fire or explosion resulting from an unintentional discharge which is not in violation of governmental rules and regulations.

For most insureds there will be no premium adjustment in conjunction with this endorsement. In some instances where a premium charge is warranted because a potential but unintended pollution exposure exists, the premium will be determined in accordance with customary (a) rating procedures.

This endorsement modifies the provisions of the policy relating to ALL LIABILITY INSURANCE other than COMPREHENSIVE PERSONAL INSURANCE and such insurance as is afforded by the policy with respect to the ownership, maintenance or use, including loading or unloading, of any automobile.

LIMITATION OF COVERAGE FOR POLLUTION

It is agreed that the insurance does not apply

(a) to bodily injury or property damage arising out of any emission, discharge, seepage, release or escape of any liquid, solid, gaseous or thermal waste or pollutant

(1) if such emission, discharge, seepage, release or escape is either expected or intended from the standpoint of any insured or any person or organization for whose acts or omissions any insured is liable, or

(2) resulting from or contributed to by any condition in violation of or non-compliance with any governmental rule, regulation or law applicable thereto;

but this exclusion (a) does not apply to property damage arising out of any emission, discharge, seepage, release or escape of petroleum or petroleum derivatives into any body of water;

(b) to property damage arising out of any emission, discharge, seepage, release or escape of petroleum or petroleum derivatives into any body of water, but this exclusion (b) does not apply to property damage resulting from fire or explosion arising out of any emission, discharge, seepage, release or escape which neither

(1) is expected or intended from the standpoint of any insured or any person or organization for whose acts or omissions any insured is liable, nor

(2) results from or is contributed to by any condition in violation of or non-compliance with any governmental rule, regulation or law applicable thereto.

THE TRAVELERS INDEMNITY COMPANY  
THE CHARTER OAK FIRE INSURANCE COMPANY

THE PHOENIX INSURANCE COMPANY  
EQUITABLE FIRE AND MARINE INSURANCE COMPANY

  
John H. Mathews  
Secretary

  
John P. Person  
Secretary

## **Exhibit 50**

INSURANCE RATING BOARD

CENTRAL ATLANTIC OFFICE

421 KING STREET

ALEXANDRIA, VIRGINIA 22314

AREA CODE 703 838-1770

RECEIVED

JUN 20 1970

BERNARD I. FARRELL  
MANAGER

W. Va. Ins. Dept.

May 18, 1970

The Honorable Samuel H. Weese  
Insurance Commissioner  
State of West Virginia Insurance Department  
Capitol Building  
Charleston, West Virginia 25305

Dear Commissioner Weese:

Contamination or Pollution Endorsements  
IRB-G335 and IRB-G336

In accordance with all applicable provisions of law, this Board is hereby filing the captioned endorsements on behalf and in lieu of filings by its member and subscriber companies. These new endorsements reflect a manual change relating to a contamination or pollution exclusion.

The endorsements are applicable to all new and renewal policies written on or after June 10, 1970, and may be applied to outstanding policies as of June 10, 1970.

Your acknowledgment and approval of this filing would be appreciated at your earliest convenience so that our companies may be notified accordingly.

Kindly return the extra copy of this letter to the undersigned with your stamp of approval thereon.

Yours very truly,

  
B. I. Farrell  
Manager

BIF:lvh

Att.

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This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COMPREHENSIVE GENERAL LIABILITY INSURANCE  
COMPLETED OPERATIONS AND PRODUCTS LIABILITY INSURANCE  
CONTRACTUAL LIABILITY INSURANCE  
MANUFACTURERS' AND CONTRACTORS' LIABILITY INSURANCE  
OWNERS' AND CONTRACTORS' PROTECTIVE LIABILITY INSURANCE  
OWNERS' LANDLORDS' AND TENANTS' LIABILITY INSURANCE  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY INSURANCE -  
NEW YORK DEPARTMENT OF PUBLIC WORKS  
STOREKEEPER'S INSURANCE

RECEIVED

MAY 20 1970

W. Va. Ins. Dept.

**SUPPLEMENTARY EXCLUSION**  
(Contamination or Pollution - Described Operations)

It is agreed that, if with respect to operations described in this endorsement there is a discharge, dispersal, release or escape of oil or other petroleum substance or derivative (including any oil refuse or oil mixed with wastes) into or upon any watercourse or body of water, the insurance does not apply to bodily injury or property damage arising out of such discharge, dispersal, release or escape whether or not sudden and accidental.

Description of Operations

Gas Lease Operators - natural gas  
Gasoline Recovery - from casing head or natural gas  
Non-operating working interests  
Oil or Gas Well Shooting  
Oil or Gas Wells - acidizing  
Oil or Gas Wells - cementing  
Oil or Gas Wells - cleaning or swabbing - by contractors  
Oil or Gas Wells - drilling or redrilling, installation or recovery of casing  
Oil or Gas Wells - instrument logging or survey work in wells  
Oil or Gas Wells - perforating of casing  
Oil Lease Operators  
Oil Pipe Lines - operation, including maintenance  
Oil Rig or Derrick Erecting or Dismantling - wood or metal -  
including construction of foundations or structures or  
installation of equipment

Instruction

This endorsement should always be used, together with endorsement "Contamination or Pollution", 17B-C335, whenever the above operations are involved. It may be combined with endorsement 17B-C335.

17B-C335

June 10, 1970

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This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COMPREHENSIVE GENERAL LIABILITY INSURANCE  
COMPLETED OPERATIONS AND PRODUCTS LIABILITY INSURANCE  
CONTRACTUAL LIABILITY INSURANCE  
MANUFACTURERS' AND CONTRACTORS' LIABILITY INSURANCE  
OWNERS' AND CONTRACTORS' PROTECTIVE LIABILITY INSURANCE  
OWNERS', LANDLORDS' AND TENANTS' LIABILITY INSURANCE  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY INSURANCE -  
NEW YORK DEPARTMENT OF PUBLIC WORKS  
STOREKEEPER'S INSURANCE

PROVIDED  
MAY 20 1970

W. Va. Ins. Dept

**EXCLUSION**

(Contamination or Pollution)

It is agreed that the insurance does not apply to bodily injury or property damage arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminant or pollutants into or upon land, the atmosphere or any watercourse or body of water; but this exclusion does not apply if such discharge, dispersal, release or escape is sudden and accidental.

100-0335

June 10, 1970

0000071

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## **Exhibit 51**

INSURANCE RATING BOARD

CENTRAL ATLANTIC OFFICE  
421 KING STREET  
ALEXANDRIA, VIRGINIA 22314  
AREA CODE 703 836-1770

RECEIVED

MAY 13 1970

W. Va. Ins. Dept.

May 11, 1970

The Honorable Samuel H. Weese  
Insurance Commissioner  
State of West Virginia Insurance Department  
Capitol Building  
Charleston, West Virginia 25305

Dear Commissioner Weese:

Manuals of Liability Insurance -  
Contamination or Pollution Exclusion

On behalf of our member and subscriber companies, we hereby file the attached contamination and pollution exclusions that will apply to all general liability insurance covering bodily injury and property damage, except comprehensive personal liability, farmers comprehensive personal liability and professional liability insurance.

An explanation of the exclusions is contained in the attached memorandum.

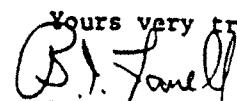
It is proposed that this revision become effective June 10, 1970 under the following rule of application:

The exclusions are applicable to all new and renewal policies written on or after June 10, 1970, and may be applied to outstanding policies as of June 10, 1970.

There is need for prompt introduction of these exclusions in recognition of the potential and grave exposures reflected in the exclusions not previously envisioned. It is for this reason that we are asking for an early effective date and the optional application of the exclusions to outstanding policies.

It is our intention to announce approval of the exclusions to our companies by circular letter. They will be inserted in the Manuals of Liability Insurance as soon as possible thereafter.

We respectfully urge your prompt consideration of our proposal, and its approval.

Yours very truly,  
  
B. I. Farrell  
Manager

BIF:lvh

Att.

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Insurance Rating Board  
Memorandum-Manuals of Liability Insurance

Contractual Liability Manual

Manufacturers and Contractors Liability Manual

Owners, Landlords and Tenants Liability Manual

Owners or Contractors Protective Liability Manual

Product Liability Manual

Page No.

Cont. 4

M & C 4

OL & T 5 & 224

OCP 4

Prod. 4

Add the following as contractual exclusion (n), manufacturers and contractors exclusion (q), owners, landlords and tenants exclusion (r), storekeepers exclusion (p), owners or contractor protective exclusion (j) and products exclusion (k):

Contamination or Pollution Exclusion.

Bodily injury or property damage arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalies, toxic chemicals, liquids or gases, waste materials or other irritants, contaminant or pollutants into or upon land, the atmosphere or any watercourse or body of water; but this exclusion does not apply if such discharge, dispersal, release or escape is sudden and accidental.

Use Standard Provisions Endorsement IRB - G .

Cont. 4

M & C 4

OL & T 5 & 224

OCP 4

Prod. 4

Add the following as contractual exclusion (o), manufacturers and contractors exclusion (r), owners, landlords and tenants exclusion (s), storekeepers exclusion (q), owners or contractors protective exclusion (k) and product exclusion (l):

Contamination or Pollution - Described Operations-Supplementary Exclusion.

With respect to the operations described below, bodily injury or property damage arising out of the discharge, dispersal, release or escape of oil or other petroleum substance or derivative (including any oil refuse or oil mixed with wastes) into or upon any watercourse or body of water, whether or not such discharge, dispersal, release or escape is sudden and accidental.

Description of Operations

Gas Lease Operators - natural gas

Gasoline Recovery - from casing head or natural gas  
Non-operating working interests

Oil or Gas Wells Shooting

Oil or Gas Wells - acidizing

Oil or Gas Wells - cementing

Oil or Gas Wells - cleaning or swabbing - by  
contractors

Oil or Gas Wells - drilling or redrilling,  
installation or recovery of casing

Oil or Gas Wells - instrument logging or  
survey work in wells

Oil or Gas Wells - Perforating of casing

Oil Lease Operators

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Oil Pipe Lines - operation, including maintenance  
Oil Rig or Derrick Erecting or Dismantling wood or metal - including construction of foundations or structures or installation of equipment

Use Standard Provisions Endorsement IRB - G

Explanation

Coverage for pollution or contamination is not provided in most cases under present policies because the damages can be said to be expected or intended and thus are excluded by the definition of occurrence. The above exclusion clarifies this situation so as to avoid any question of intent. Coverage is continued for pollution or contamination caused injuries when the pollution or contamination results from an accident except that no coverage will be provided under certain operations for injuries arising out of discharge or escape of oil into any body of water.

This exception for oil is justified, in our opinion, because oil spillage into water is a catastrophic phenomenon of recent occurrence and not contemplated when existing rates were made. The public has become increasingly aware of agonizing effects of oil spillage and resentful of the failure of oil risks to take the ordinary step to avoid it. To ignore the attitude of society toward the destructive effects of oil spillage by making insurance readily available, as part of underlying coverage, without regard for the exposure could be interpreted as a disregard for the public interest and the public policy, and could well subject the insurance industry to public criticism. Because of this situation any companies that may afford this insurance will undoubtedly do so only after a very careful survey of the exposure and the methods for preventing oil spillage into water in order to assure protection for the public interest.

0000075

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## **Exhibit 52**

# THE TRAVELERS



ONE TOWER SQUARE  
HARTFORD, CONNECTICUT 06115

August 3, 1970

The Honorable Samuel H. Weese  
Insurance Commissioner  
State of West Virginia  
Insurance Department  
1800 Washington Street, East  
Charleston, West Virginia 25305

Attn: Mr. Donald W. Brown  
Director  
Casualty-Property Division

RECEIVED

AUG 5 1970

W. Va. Ins. Dept.

Dear Commissioner Weese:

Limitation of Coverage for Pollution  
The Travelers Indemnity Company  
The Charter Oak Fire Insurance Company  
The Phoenix Insurance Company  
Equitable Fire and Marine Insurance Company

At the conclusion of the July 16th hearing, it was suggested that some comments concerning our proposed form as compared to the IRB form would be helpful.

It was generally agreed that general liability policies, because of the occurrence definition, prevent coverage for injury expected or intended from the standpoint of the insured. The idea behind these endorsements is that the insurance industry does not consider intentional pollution to be insurable, and the industry wishes to make its position clear to the insured. Many insureds have not realized that they did not have coverage because there have been no claims. The attachment of such an endorsement protects the insured from a false feeling of coverage.

I left you a copy of our comparison of coverage for the Bureau form and our form. Another copy is attached, and in addition the following comments may be helpful.

The IRB form (G335) excludes contamination or pollution except when the discharge is sudden and accidental. The Travelers form takes a slightly different approach. Rather than expecting the sudden and accidental cause, we define discharge as "if expected or intended". We believe the results of the two phrases are the same, but we feel that the positive wording that we have used will be clearer to the insured. The Travelers

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form also refers to violators of governmental rules and regulations. We believe it is more equitable to our insureds to call their attention to the governmental rules and regulations. We don't believe that there is any particular difference in the actual coverage between the two forms, because if a governmental rule or regulation exists and our insured is not operating in compliance with that regulation, it would be difficult for us to accept the thought that the loss was sudden and accidental. It would be more realistic to maintain that the loss was not sudden nor accidental because the insured chose to violate a governmental rule or regulation which was established in anticipation of a possible pollution hazard.

While we use a single form and include the oil and petroleum exclusion, the IRB has chosen to use a separate form. As you know, new exposures arise in our insureds' operations either by new processes or by company affiliations, and it may be a period of time before we know that a specific petroleum pollution hazard has arisen. We believe it is only fair to our insured that he know before embarking on a new operation just what his insurance coverage will be. Therefore, we believe it is in the best interest of our insureds to have a single endorsement attached to each and every policy.

The IRB form restricts the oil and petroleum coverage for both bodily injury and property damage. Our form only excludes the property damage and we clarify the point that there is coverage for fire or explosion when it is not expected or intended or in violation of a governmental rule or regulation.

Please let us know if there are any other particular points which our comments would be helpful.

Very truly yours

*Richard C. Reeves (s)*

Richard C. Reeves  
Assistant Secretary  
Government Affairs Division

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Exclusion (Contamination or Pollution) 0-335

Pollution Exclusion

1. Injuries excluded  
bodily injury and property damage

2. Type of discharge  
discharge, dispersal, release, escape

3. Material discharged  
smoke, vapors, soot, fumes, acids, alkalies, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants

4. Where discharged  
into or upon land, the atmosphere or any watercourse or body of water

5. What triggers exclusion  
any discharge as per above which is neither sudden nor accidental.

6. Exceptions  
none

7. Policies subject to exclusion  
all General Liability policies except comprehensive personal, and professional liability policies including Packages except comprehensive personal

**Table.**  
Limitation of coverage for  
Pollution 1950 paragraph (a)  
bodily injury  
exclusion, escape, discharge  
release, escape

Liquid, solid, smoke or thermal  
waste or pollutant

anywhere

any discharge (1) expected or  
intended by insured or by person  
for whom insured is liable, or (2)  
caused by condition in violation  
of law

exclusion does not apply to ID  
arising out of discharge of  
petroleum or petroleum derivative  
into any body of water

all General Liability Policies  
including Packages except  
comprehensive personal

Oil Discharge Exclusion

I.R.N.

Supplementary Exclusion (Contamination or  
Pollution - Described Operations) 0-336

	<u>I.R.N.</u>	<u>T.I.C.</u>
1. Injuries excluded	Supplementary Exclusion (Contamination or Pollution - Described Operations) 0-336	Limitation of Coverage for Pollution 1990 Paragraph (b)
2. Type of discharge	bodily injury and property damage	property damage
3. Material discharged	discharge, dispersal, release or escape	emulsion, discharge, seepage, release or escape
4. Where discharged	oil or other petroleum substance or derivative (including any oil refuse or oil mixed with wastes)	petroleum or petroleum derivatives
5. What triggers exclusion	into or upon any watercourse or body of water	any body of water
6. Exceptions	any discharge as per above	any discharge as per above
7. Operations subject to exclusion	None	property damage resulting from fire or explosion if the discharge was neither expected nor intended and did not result from a condition in violation of law
		no limitation
		13 manual classifications

## **Exhibit 53**



THE TRAVELERS

Casualty-Property  
Commercial Lines Department  
Thomas A. Jackson, Secretary

January 13, 1982

Mr. Mark Presser  
Associate Insurance Examiner  
Property and Casualty Insurance Bureau  
State of New York Insurance Department  
Two World Trade Center  
New York, NY 10047

Re: Travelers Environmental Hazard Policy  
(Your December 11th letter to  
Carol Peterson, Travelers)

Dear Mr. Presser:

In your letter of December 11th, you raised several objections; the most striking was the third which implied that the term "sudden and accidental" as used in Sections 46(3) and 46(14) of the New York Insurance Law prohibited covering gradual pollution incidents.

Is your opinion based upon legal interpretation of these sections or court decisions, or is it the prevailing opinion of the Department?

"Sudden and accidental" as a term standing by itself is capable of many interpretations.

The word "sudden" in Webster's New Collegiate Dictionary is defined as:

- 1 a: happening or coming unexpectedly
- b: changing angle or character all at once
- 2 : marked by or manifesting abruptness or haste
- 3 : made or brought about in a short time

The word "accidental" is similarly defined as:

- 1 : arising from extrinsic causes
- 2 a: occurring unexpectedly or
- b: happening without intent or through carelessness and often with unfortunate results

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EXHIBIT

Jackson-55  
5/16/1021

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There is nothing in the term "sudden and accidental" which requires the elimination of gradually occurring events from the collective.

A number of court decisions in many jurisdictions have essentially reached the same conclusion: there is nothing which prevents gradually occurring events from being considered to be "sudden and accidental" as long as there is no intent to cause injury or damages.

The New York law is sensibly applied only when it is interpreted to mean that deliberate polluters cannot be insured.

When it is interpreted to mean that unexpected or unintended gradual pollution may not be insured, it will deprive insureds and claimants of protection which should be available and which the insurance industry is willing to provide.

How, rationally, can the law be interpreted to prevent insurance for "non-sudden" or gradually occurring pollution liabilities created by accidental, unexpected or unintended actions?

We will reply to your other questions after we have received your reply.

Very truly yours



Thomas A. Jackson  
Secretary  
Product Management Division

TAJ/cad

cc: Ms. Carol Peterson